Regular Session, 2007

**ACT No. 398** 

HOUSE BILL NO. 301

BY REPRESENTATIVES HUTTER, BARROW, BRUCE, CROWE, DAMICO, FRITH, LAFONTA, PINAC, T. POWELL, STRAIN, TRAHAN, AND WILLIAMS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1	AN ACT
2	To amend and reenact R.S. 37:2150.1(11), 2175.1(A)(introductory paragraph), and
3	2175.2(A) and to enact R.S. 37:2162(L) and (M) and 2175.6, relative to the state
4	contractor's board; to expand the definition of residential building contractor; to
5	provide for the board's authority to issue citations; to provide for home improvement
6	contracting; to provide for completion of preexisting contracts by home
7	improvement contractors; to provide for prohibition of certain claims by unregistered
8	contractors; to provide for penalties; and to provide for related matters.
9	Be it enacted by the Legislature of Louisiana:
10	Section 1. R.S. 37:2150.1(11), 2175.1(A)(introductory paragraph), and 2175.2(A)
11	are hereby amended and reenacted and R.S. 37:2162(L) and (M) and 2175.6 are hereby
12	enacted to read as follows:
13	§2150.1. Definitions
14	As used in this Chapter, the following words and phrases shall be defined as
15	follows:
16	* * *
17	(11) "Residential building contractor" means any corporation, partnership,
18	or individual who constructs a fixed building or structure for sale for use by another
19	as a residence or who, for a price, commission, fee, wage, or other compensation,

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

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undertakes or offers to undertake the construction or superintending of the construction of any building or structure which is not more than three floors in height, to be used by another as a residence, when the cost of the undertaking exceeds fifty seventy-five thousand dollars. The term "residential building contractor" includes all contractors, subcontractors, architects, and engineers who receive an additional fee for the employment or direction of labor, or any other work beyond the normal architectural or engineering services. "Residential building contractor" also means any person performing home improvement contracting as provided for in Paragraph (7) of this Section when the cost of the undertaking exceeds seventy-five thousand dollars. It shall not include the manufactured housing industry or those persons engaged in building residential structures that are mounted on metal chassis and wheels.

\* \* \*

§2162. Violations; civil penalty

\* \* \*

L. In addition to all other authority granted to the board under the provisions of this Chapter, the board shall have the authority to cause to be issued to any person who is alleged to have violated any of the provisions of this Chapter a citation setting forth the nature of the alleged violation, and further providing to that person the option of either pleading no contest to the charge and paying to the board a fine prescribed by any provision of this Chapter or appearing at an administrative hearing to be conducted by the board as to the alleged violation. Such citations may be issued by any authorized employee of the board, and may be issued either in person or via the United States Postal Service, postage prepaid and properly addressed. This Subsection shall not be applicable to any criminal enforcement action brought under the provisions of this Chapter.

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M. Any person registered or licensed under the provisions of this Chapter who is the subject of two or more complaints received by the board within a six month period shall have his name and the nature of each complaint received posted on the board's website.

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## §2175.1. Home improvement contracting; written contract required

A. Every agreement to perform home improvement contracting services, as defined by this Part, in an amount in excess of seventy-five hundred dollars, but not in excess of seventy-five thousand dollars, shall be in writing and shall include the following documents and information:

\* \* \*

## §2175.2. Home improvement contracting; registration required

A.(1) No person shall undertake, offer to undertake, or agree to perform home improvement contracting services unless registered with and approved by the Residential Building Contractors Subcommittee of the State Licensing Board for Contractors as a home improvement contractor.

(2) Any home improvement contractor who possesses a certificate of registration from the subcommittee as of October 1, 2007, shall be entitled to complete any preexisting contracts he has entered into in excess of seventy-five thousand dollars without having to obtain a residential contractor's license as provided for in this Chapter. However, such home improvement contractor shall be required to obtain a residential contractor's license prior to bidding or entering into any contracts in excess of seventy-five thousand dollars after October 1, 2007.

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1 §2175.6. Home improvement contracting; claims of unregistered persons 2 No home improvement contractor who fails to obtain a certificate of registration as provided for in this Part shall be entitled to file a statement of claim 3 4 or a statement of lien or privilege with respect to monetary sums allegedly owed 5 under any contract, whether express, implied, or otherwise, when any provision of 6 this Part requires that the home improvement contractor possess a certificate of 7 registration issued by the subcommittee in order to have properly entered into such 8 a contract. SPEAKER OF THE HOUSE OF REPRESENTATIVES PRESIDENT OF THE SENATE GOVERNOR OF THE STATE OF LOUISIANA

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APPROVED: